

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA**

**UNITED STATES OF AMERICA,**

**v.**

**PAUL J. MANAFORT, JR.,**

**Defendant.**

**Case No. 17-cr-201-1-ABJ**

**IN RE: PETITIONS FOR RELIEF  
CONCERNING CONSENT ORDER OF  
FORFEITURE**

**Case No. 1:18-mc-00167-ABJ**

**CONSENT MOTION FOR ENTRY OF FINAL ORDER OF FORFEITURE AS TO  
29 HOWARD STREET, UNIT 4D, NEW YORK, NY 10013**

The United States of America, by and through its undersigned counsel, respectfully submits this motion pursuant to Fed. R. Crim. P. 32.2(c)(2) for entry of a Final Order of Forfeiture with respect to the real property, 29 Howard Street, Unit 4D, New York, NY 10013, that is subject to a preliminary order of forfeiture in this action. March 13, 2019, Order of Forfeiture, Cr. Dkt. No. 549, 556-1.<sup>1</sup> As set forth below, the time period for the submission of third party petitions to contest forfeiture pursuant to 21 U.S.C. § 853(n) has closed, and all such petitions have been resolved by settlements endorsed by the Court.

A proposed Final Order of Forfeiture Final Order of Forfeiture as to 29 Howard Street, Unit 4D, New York, NY 10013 is submitted with this motion. The proposed order sets out in more detail the facts and procedural history summarized below.

<sup>1</sup> Docket entries from *United States v. Paul J. Manafort, Jr.*, Case No. 17-cr-201-1 (D.D.C.) are referred to as “Cr. Dkt. No.”. Docket entries from the miscellaneous case number for the ancillary proceedings *In Re: Petitions for Relief Concerning Consent Order of Forfeiture*, Case No: 1:18-mc-167 (D.D.C.) are referred to as “Mc. Dkt. No.”.

**I. The Property Subject to the Proposed Final Order of Forfeiture**

This motion seeks entry of a Final Order of Forfeiture regarding the following property (the "29 Howard Street Unit 4D Property"):

The real property and premises commonly known as 29 Howard Street, #4D, New York, New York 10013 (Block 00209, Lot 1104), including all appurtenances, improvements, and attachments thereon.

This property is listed in the preliminary order of forfeiture at paragraph 2(b). March 13, 2019, Order of Forfeiture, Cr. Dkt. No. 549, Cr. Dkt. No. 556-1.

The 29 Howard Street Unit 4D Property is more specifically described in its Deed as:

The Condominium Unit (hereinafter referred to as the "Unit") in the building (hereinafter referred to as the "Building") known as The 29 Howard Street Condominium and by the street number 29 Howard Street, Borough of Manhattan, County of New York and City and State of New York, said Unit being designated and described as Unit No. 4 in a certain declaration dated December 16, 2002, made by the Sponsor pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act") establishing a plan for condominium ownership of the Building and land (hereinafter referred to as the "Land") upon which the Building is situate (which Land is more particularly described below and by this reference made a part hereof), which declaration was recorded in the New York County Office of the Register of The City of New York on January 22, 2003 as CRFN 2003000003859 as amended by the Amendment to the Declaration dated April 22, 2003 and recorded June 4, 2003 as CRFN 2003000154620, (which declaration and amendments thereto are hereinafter collectively referred to as the "Declaration"). This Unit is also designated as Tax Lot 1104 in Block 209 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of the City of New York and on the floor Plans of the Building filed with said Assessment Department as Condominium Plan No. 1283 and also filed in the City Register's Office on January 22, 2003 as CRFN 2003000003860. TOGETHER with an undivided 14.3688% interest in the Common Elements (as such term is defined in the Declaration). The Land on which the Building containing said Unit is more particularly bounded and described as follows: Parcel 1: Lot 10 Parcel A: All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough and County of New York, City and State of New York, distinguished on the Map of Bayards's East Farm by Lot No. 663 and

known as 29 Howard Street, said lot being bounded and contained as follows: Northerly in front by Howard Street, 25 feet; Easterly by Lot No. 664 on said Map, 100 feet; Westerly by Lot No. 662 on said Map, and being 25 feet in width in the rear thereof and also certain strip of land; ALSO Parcel B: All that certain plot, piece or parcel of land, situate, lying and being in the Borough and County of New York, City and State of New York, bounded and described as follows: BEGINNING at a point on the Southerly side of Howard Street, at the center of a party wall standing upon Lots 29 and 31 Howard Street; RUNNING THENCE Southerly along the center line of said wall and the prolongation of said line to the rear of said Lot 31 Howard Street; THENCE Easterly along the rear line of said Lot 31, 8 inches to the Westerly line of said Lot 29, Howard Street; THENCE Northerly along said Westerly line of said Lot 29 and the Easterly side of said wall to the Northerly line of said Lot 29; THENCE Westerly along the Northerly line of said Lot 31, 8 inches to the BEGINNING. APN: Block 209, Lot 1104.<sup>2</sup>

## II. Background

On September 14, 2018, the defendant, Paul J. Manafort, Jr., pleaded guilty to a two-count Superseding Criminal Information ("Information") charging in Count One, *inter alia*, a conspiracy to violate the Foreign Agents Registration Act ("FARA"), in violation of Title 18, United States Code, Section 371 and 3551 *et seq.* and Title 22, United States Code, Sections 612, 618(a)(1), and 618(a)(2). Cr. Dkt. Nos. 419, 422, 423. The Information gave notice that upon conviction under Count One, the United States would seek entry of a personal money judgment of forfeiture, as well as forfeiture of certain specific properties, including the 29 Howard Street Unit 4D Property, pursuant to 18 U.S.C. §§ 981(a)(1)(C) and 982(b), 28 U.S.C. § 2461(c), and 21 U.S.C. § 853(p). Cr. Dkt. No. 419.

In his Plea Agreement, the defendant admitted to the forfeiture allegations in the Information, and, in his Statement of the Offenses and Other Acts, he admitted that he obtained at least \$11,000,000 as a result of his conspiracy to violate the FARA in violation of 18 U.S.C. §

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<sup>2</sup> This legal description, which is also included in the proposed Final Order of Forfeiture, cures a minor scrivener's error in the legal description of the property attached to the Notice of Forfeiture and the settlements entered by this Court to resolve the interests of third parties described below.

371, 22 U.S.C. §§ 612 and 618. Cr. Dkt. No. 422 at 10, 423 at 2-3. He also consented to the forfeiture of the 29 Howard Street Unit 4D Property, among other properties. Cr. Dkt. No. 419.

On October 10, 2018, with the defendant's consent, the Court entered a Consent Order of Forfeiture signed by the Court on October 9, 2018, constituting a preliminary order of forfeiture ("Consent Order of Forfeiture"). Cr. Dkt. No. 443. The Information, Plea Agreement and Statement, along with the record in this case, establish the requisite nexus between the 29 Howard Street Unit 4D Property and the defendant's offense, and that the defendant has an interest in the property. In the Consent Order of Forfeiture, this Court found: "based on the evidence and information before it, including the defendant's plea agreement, that [*inter alia*, the 29 Howard Street Unit 4D Property] is subject to forfeiture" and so ordered its forfeiture. Cr. Dkt. No. 443 at 3-4.

At sentencing on March 13, 2019, the Court amended the preliminary order of forfeiture and incorporated the revised order into the criminal judgment. *See* March 13, 2019, Order of Forfeiture. Cr. Dkt. Nos. 549, 556. The March 13, 2019, Order of Forfeiture entered forfeiture pursuant to 18 U.S.C. §§ 981(a)(1)(C) and 982(b), 21 U.S.C. § 853(p), and 28 U.S.C. § 2461(c), including forfeiture of the 29 Howard Street Unit 4D Property, other specific Forfeited Assets, and a Personal Money Judgment of Forfeiture in the amount of \$11 million, to be offset by the forfeiture of the specific Forfeited Assets. *Id.* at ¶¶1-4.

### **III. Entry of a Final Order of Forfeiture is Appropriate**

The United States seeks entry of a final order of forfeiture with respect to the 29 Howard Street Unit 4D Property pursuant to Federal Rule of Criminal Procedure 32.2 and 21 U.S.C. § 853, as incorporated by 18 U.S.C. § 982(b). Rule 32.2(b)(4)(A) provides:

At sentencing – or at any time before sentencing of the defendant consents – the preliminary forfeiture order becomes final as to the

defendant. If the order directs the defendant to forfeit specific property, it remains preliminary as to third parties until the ancillary proceeding is concluded under Rule 32.2(c).

Fed. R. Crim. P. 32.2(b)(4)(A). Under Title 21 U.S.C. § 853(n)(7), the United States shall have clear title to any forfeited property following the Court's disposition of all petitions and the expiration of the time period provided for the filing of petitions. Because the Court's March 13, 2019, Order of Forfeiture is final as to the defendant, notice of the forfeiture was provided in accordance with the Federal Rules, and the interests of all third parties asserting an interest in the property have been resolved by settlement, entry of the requested final order is appropriate.

By its terms, the March 13, 2019 Order of Forfeiture became final as to the defendant upon its entry, and was made part of his sentence and included in the judgment pursuant to Rule 32.2(b)(4) of the Federal Rules of Criminal Procedure. Cr. Dkt. Nos. 549, 556-1 at ¶10. Accordingly, the defendant retains no interest in the 29 Howard Street Unit 4D Property.

However, an order of forfeiture as to a defendant for specific property does not address the interests that a third party may have in that property. Fed. R. Crim. P. 32.2(b)(2)(A) ("The Court must enter the [forfeiture] order without regard to any third party's interest in the property."). It remains a preliminary order as to third parties until the ancillary proceeding is completed. Fed. R. Crim. P. 32.2(b)(4)(A).

The purpose of the ancillary proceeding is to "resolve" any third party claims to specific property subject to a forfeiture order. *United States v. Cox*, 575 F.3d 352, 358 (4th Cir. 2009); *see also* Fed. R. Crim. P. 32.2(b)(2)(A) (Determination of third party interest is "deferred until any third party files claim in an ancillary proceeding."). The Government commences the ancillary proceeding by publishing notice of the forfeiture order and "send[ing] notice to any person who reasonably appears to be a potential claimant with standing to contest the forfeiture."

Fed. R. Crim. P. 32.2(b)(6)(A); *see also* 21 U.S.C. § 853(n)(1) (Government must publish notice of the order and “may also, to the extent practicable, provide direct written notice to any person known to have alleged an interest in the property.”). A third party must file a claim “within thirty days of the final publication of notice or his receipt of [direct] notice . . . whichever is earlier.” 21 U.S.C. § 853(n)(2).

As set forth in the United States’ Declaration of Notice and Publication, Cr. Dkt. No. 545, the United States provided notice in accordance with 21 U.S.C. § 853(n)(1), Rule 32.2(b)(6) of the Federal Rules of Criminal Procedure, and Rule G(4) of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions. This notice included notice by publication, as well as direct written notice to persons who reasonably appeared to be a potential claimant with standing to contest the forfeiture in the ancillary proceeding or who were known to have alleged an interest in the forfeited property, including, but not limited to: Kathleen Manafort, and Citizens Financial Group, Inc. D/B/A Citizens Bank (“Citizens Bank”), and the condominium association, 29 Howard Street Condominium. *Id.*

Following notice of the Consent Order of Forfeiture, only two interested parties asserted an interest in the 29 Howard Street Unit 4D Property: Citizens Bank and 29 Howard Street Condominium. *See* Mc. Dkt. Nos. 33, 38.

On February 8, 2019, the Court endorsed a Stipulation and Order of Settlement between the United States and Citizens Bank resolving Citizens Bank’s petition concerning the 29 Howard Street Unit 4D Property (the “Citizens Bank Stipulation and Order”). Mc. Dkt. No. 39. Also on February 8, 2019, the Court endorsed a Stipulation and Order of Settlement between the United States and 29 Howard Street Condominium resolving its interest in the 29 Howard Street

Unit 4D Property (the “29 Howard Street Condominium Stipulation and Order”).<sup>3</sup> Mc. Dkt. No. 38.

Under the 29 Howard Street Condominium Stipulation and Order and the Citizens Bank Stipulation and Order, the petitions of these parties were dismissed upon the Court’s endorsement of the settlements. Mc. Dkt. Nos. 38 ¶ 2, 39 at ¶ 1. However, the Citizens Bank Stipulation and Order and the 29 Howard Street Condominium Stipulation and the Order are expressly incorporated into and attached to the proposed Final Order of Forfeiture. *See* proposed Final Order of Forfeiture at ¶¶ 1, 3.

No other petitions were filed or made in this action as to the 29 Howard Street Unit 4D Property, no other parties have appeared to contest its forfeiture, and the statutory time periods in which to do so for all known potential claimants have expired. Pursuant to Title 21 U.S.C. § 853(n)(7), because all petitions have been resolved, the United States is therefore entitled to have clear title to the 29 Howard Street Unit 4D Property and to warrant good title to any subsequent purchaser or transferee.

#### **IV. Conclusion**

Pursuant to Rule 32.2(c)(2) of the Federal Rules of Criminal Procedure, “[w]hen the ancillary proceeding ends, the court must enter a final order of forfeiture by amending the preliminary order as necessary to account for any third-party rights.” The government may also “request an order from the court declaring that the government has met all of the statutory notice requirements, that no meritorious third-party claims were filed, and that the government has clear title to the forfeited property.” *United States v. Gilbert*, 244 F.3d 888, 913 (11th Cir. 2001).

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<sup>3</sup> The 29 Howard Street Condominium Stipulation and Order was deemed to be the petition of the 29 Howard Street Condominium. Mc. Dkt. No. 38 at ¶ 2. Accordingly, the condominium did not file a separate petition.

Counsel for the United States has conferred with counsel for 29 Howard Street Condominium and Citizens Bank, which do not oppose this motion.

Wherefore, the United States respectfully requests that the Court enter the proposed Final Order of Forfeiture as to 29 Howard Street, Unit 4D, New York, NY 10013, as attached.

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

I hereby certify that on May 17, 2019, I have provided notice of the forgoing through the Court's Electronic Filing System to such counsel of record or pro se litigants as have consented to accept service through such means and by filing a notice of this filing in the related miscellaneous case number, *In Re Petitions Re Consent Order of Forfeiture*, Case No: 1:18-mc-167 (D.D.C.). I have also transmitted a copy of this filing via electronic mail to the following, who do not appear to have registered for notice through the Court's Electronic Filing System or who have not filed an appearance in this matter:

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